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OFFICE OF THE VICE PRESIDENT WASHINGTON

May 7, 1966

Dear Dick:

Jack Smith's IM No. 0813/66, "U.S.-Iranian Relations," is extremely helpful.

I enclose a copy of our thanks to Jack.

You will note from our letter of thanks to Jack the feeling here that one of our most difficult tasks is to arrive at common assessments of the threats to Iranian security. Over the years we find that our toughest stumbling block arises from those occasions when events and forces are shifting around the world, while our policy makers arrive at different tentative conclusions concerning those changes. I think we are in that sort of problem area at the moment in trying to come to grips with the Iranian problem. That is why your Intelligence Memorandum is so exceedingly helpful at this time.

Best wishes.

Sincerely,

George A. Carrol

Mr. Richard Helms
Deputy Director
Central Intelligence Agency
Langley, Virginia

May 7, 1966

Dear Jack:

The Vice President adknowledges the receipt of IM No. 0813/66, "U.S.-Iranian Relations." The Vice President is particularly pleased that your work is so timely and useful.

It would be helpful in the future to have an operational review of the Arabistan operation directed against Khuzistan. We do not grip the facts and therefore do not know if the threat to Southern Iran is real. We see the increasing threat to Iran caused by the crumbling British maritime position around the Arabian Peninsula, and the movement into that vacuum of persons, funds, and forces controlled or indirectly controlled by Nasser. A decent appreciation of the maritime position, among other things, is needed in order to assess the Shah's requirements for increased naval presence in the Persian Gulf. Meanwhile, the Peterson Report 'acknowledges the Arab threat to Iranian security...' and its recommendations are helpful in laying down premises for policy adjustments.

It might also be helpful to have from you continuing reminders of the overall U.S.-Iran balance of inputs and outputs. The extent to which U.S. and free world citizens are taking dollars out of Iran ought to be included in the overall determinations of Iran's capacity to expend its resources for military purposes.

Again, may I tell you how very helpful your Intelligence Memorandum is to this Office.

Sincerely,

George A. Carroll

Mr. R. J. Smith
Deputy Director for Intelligence
Central Intelligence Agency
Langley, Virginia
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